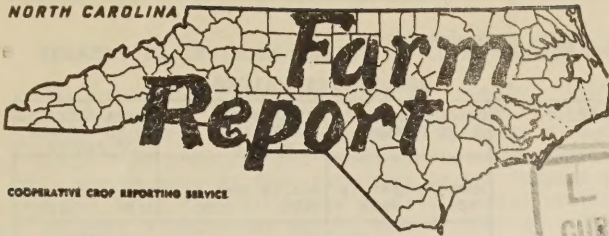


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NORTH CAROLINA

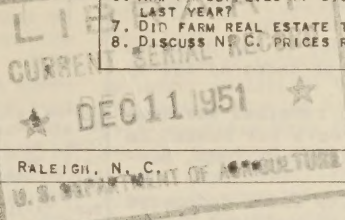
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COOPERATIVE CROP REPORTING SERVICE

QUESTIONS PERTINENT TO THIS ISSUE

1. REVIEW N. C. PRICES RECEIVED.
2. WHAT IS THE PRESENT TREND IN POULTRY PRODUCTION?
3. DID FEED PRICES INCREASE OR DECREASE IN SEPTEMBER?
4. COMPARE AUGUST COMMERCIAL LIVESTOCK SLAUGHTER WITH JULY.
5. DISCUSS AUGUST HATCHERY PRODUCTION.
6. HOW DO SUPPLIES OF CIGARETTE TYPE TOBACCO COMPARE WITH LAST YEAR?
7. DID FARM REAL ESTATE TAXES INCREASE OR DECREASE IN 1950?
8. DISCUSS N. C. PRICES RECEIVED INDEX.



No. 94

RALEIGH, N. C.

OCTOBER 5, 1951

AGRICULTURAL PRICES AND OTHER CURRENT ITEMS

**FARM REAL
ESTATE TAXES INCREASE**

There was a further increase in taxes levied by State and local governments on the Nation's farm real estate in 1950. These taxes are payable largely in 1951. This is the sixth increase since the end of World War II, and it brought farm real estate taxes to a new record peak. The levies in 1950 totaled 735 million dollars compared with 699 million in 1949 and 651 million in 1948. For some years before and during World War II they fluctuated around 400 million dollars.

When averaged on a per-acre basis, the taxes levied in 1950 amounted to \$0.64. For 1949, the average was

N. C. PRICES RECEIVED INDEX UP

Sales of flue-cured tobacco were primarily responsible for the increase of 37 points in the index of prices received by North Carolina farmers during the month ended September 15. Lower cotton prices decreased the cotton and cottonseed index 8 points. The meat animals index decreased 11 points due to lower prices for hogs, calves and sheep. Higher egg prices raised the poultry commodity index 10 points. The miscellaneous commodity index increased 10 points while the dairy index increased only one point.

SEASONALLY MORE MEAT TO MARKET

Farmers' marketings of livestock are increasing seasonally. Hog marketings expected to reach a peak about early December, will continue above a year ago; for the fall period may total near the record reached in 1943. Cattle marketings may reach 1950 levels this fall but the total may be below a year earlier. Calf and lamb slaughter will remain below a year ago during all or most of the remainder of 1951.

HATCHINGS DECLINE SEASONALLY

The number of chicks produced by commercial hatcheries in North Carolina totaled 3,524,000 during August. This sets another production record for the month and exceeds the August output of last year by 9 percent. The 1945-49 average August production is 1,589,000 chicks.

Compared with the previous month, August hatchings showed a decline of 22 percent. Most of this decline was in the non-broiler area of the State.

The demand for broiler chicks was reflected in the increase of \$.50 per hundred in prices hatcheries received for straight run heavy and cross breed chicks.

During the first eight months of 1950 commercial hatcheries in the State produced 45,177,000 chicks--an increase of 11 percent over the total production for the corresponding period of last year.

BROILER OPERATIONS DOWN SLIGHTLY

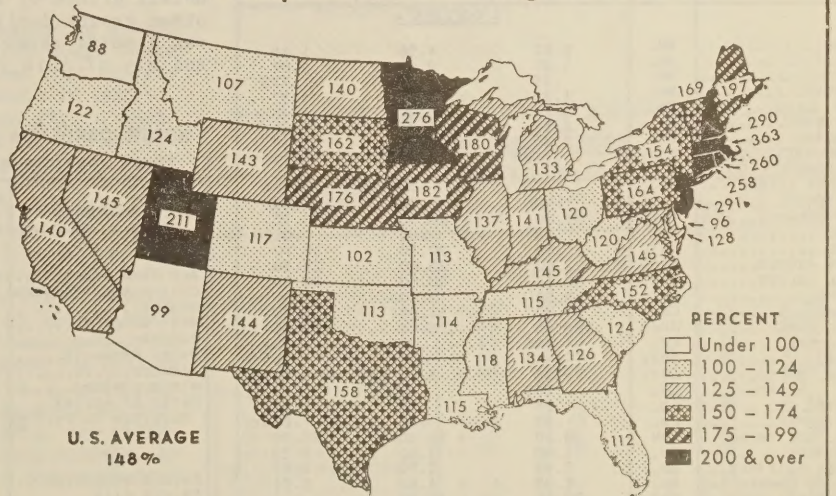
Chick placements in the Chatham-Wilkes commercial broiler areas declined slightly during September. The 2,015,000 chicks placed with producers during the month compare with August placements of 2,052,000, but were up 12 percent from the 1,805,000 chicks placed in the two areas during September 1950.

Hatcheries serving the two areas also report a slight decrease from August in the number of eggs placed in incubators. September settings at 2,112,000 eggs compare with 2,196,000 eggs set during August and the September, 1950 total of 1,945,000 eggs.

Operations in the broiler areas have continued at record level throughout 1951. Prices for finished broilers declined 2 cents during September to 28 cents per pound. Broiler prices have ranged around 30 cents per pound since the first of March.

EGG PRODUCTION

1945-49 Output as a Percentage of 1925-29



U. S. DEPARTMENT OF AGRICULTURE

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TOBACCO SALES RAISE PRICES RECEIVED INDEX

The "All Farm Products" index of prices received by North Carolina farmers at local markets increased 37 points during the month ended September 15. This increase in the prices received index was due primarily to the inclusion of sales of flue-cured tobacco in the index.

The current "All Farm Products" index at 314 compares with the mid-August index of 277 and an index of 334 on September 15, 1950.

The grains commodity index at 181 remained the same as August. The decrease of seven cents per bushel in corn prices off-set slight increases in wheat, oats, barley and rye.

The cotton and cottonseed commodity index decreased 8 points due to a decrease of 1.2 cents per pound in the price of cotton. Cottonseed prices were unchanged.

The tobacco index at 412 compares with an index of 436 on September 15, 1950.

The meat animals index decreased from 445 on August 15 to 434 on September 15. Beef cattle prices at \$23.80 per hundredweight were unchanged from August. Hogs decreased \$1.20, veal calves decreased \$1.80, sheep decreased 50 cents and lambs increased 30 cents per hundredweight.

The poultry commodity index increased 10 points as the result of an increase of 3.3 cents per dozen in the average price of eggs. Chicken prices declined almost one cent per pound.

The dairy products index increased one point, from 236 to 237, as the result of a slight increase in wholesale milk and butterfat.

The miscellaneous commodity index increased 10 points as the result of slightly higher prices for peanuts, sweet potatoes and commercial apples. The increase in the above commodities more than off-set slight decreases in soybeans, cowpeas and wool.

The ratio of prices received by N. C. farmers to prices paid by U. S. farmers increased from 102 on August 15 to 111 on September 15.

PRICES RECEIVED BY FARMERS SEPTEMBER 15, 1951
WITH COMPARISONS

COMMODITY	UNIT	NORTH CAROLINA		U. S.
		AUG. 15 1951	SEPT. 15 1951	SEPT. 15 1951
- DOLLARS -				
CORN.....	Bu.	1.65	1.58	1.65
WHEAT.....	Bu.	1.97	2.01	2.07
OATS.....	Bu.	.85	.89	.775
BARLEY.....	Bu.	1.25	1.27	1.17
RYE.....	Bu.	2.13	2.20	1.46
SOYBEANS.....	Bu.	2.55	2.45	2.59
COWPEAS.....	Bu.	4.40	4.10	3.79
PEANUTS.....	Lb.	.116	.120	.110
TOBACCO TYPES 11-13.....	Lb.	-	.528	.524
COTTON.....	Lb.	.357	.345	.337
COTTONSEED.....	TON	68.00	68.00	66.10
WOOL.....	Lb.	.95	.80	.669
HOGS.....	CWT.	21.50	20.30	19.70
BEEF CATTLE.....	CWT.	23.80	23.80	29.50
VEAL CALVES.....	CWT.	32.60	30.80	32.80
SHEEP.....	CWT.	13.50	13.00	14.90
LAMBS.....	CWT.	31.40	31.70	29.80
MILK COWS.....	HEAD	174.00	175.00	250.00
CHICKENS.....	Lb.	.292	.283	.252
EGGS.....	DOZ.	.562	.595	.55
MILK, WHLSE.....	CWT.	5.30	5.40 a/	4.60 a/
RETAIL.....	QT.	.205	.205	.20
BUTTER.....	Lb.	.56	.55	.607
BUTTERFAT.....	Lb.	.55	.56	.684
HAY, ALL BALED.....	TON	28.80	28.30	21.30
POTATOES.....	Bu.	1.60	1.60	1.23
SWEET POTATOES.....	Bu.	2.45	2.70	2.87
APPLES COMMERCIAL.....	Bu.	1.55	1.60	2.01
LESPEDEZA SEED.....	CWT.	10.60	10.50	-
KOREAN.....	CWT.	9.00	9.00	-
KOBE.....	CWT.	12.00	12.00	-
COM. & TENN. 76.....	CWT.	16.00	15.00	-
SERICEA.....	CWT.	19.00	19.00	-

COMPARISON OF U. S. PRICES RECEIVED BY FARMERS
AND PARITY PRICES

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES		AVERAGE PRICES AS PERCENTAGE OF PARITY	
	AUG. 15 1951	SEPT. 15 1951	AUG. 15 1951	SEPT. 15 1951	AUG. 15 1951	SEPT. 15 1951
- DOLLARS -						
COTTON, LB.....	.346	.337	.338	.339	102	100
WHEAT, BU.....	2.05	2.07	2.41	2.41	85	86
CORN, BU.....	1.65	1.65	1.75	1.75	94	94
OATS, BU.....	.759	.775	.98c/	.981c/	77	79
BARLEY, BU.....	1.17	1.17	1.52c/	1.52c/	77	77
RYE, BU.....	1.46	1.46	1.77c/	1.77c/	82	82
BEEF CATTLE, CWT.	29.10	29.50	19.80	19.80	147	149
HOGS, CWT.....	21.20	19.70	21.30	21.30	100	92
LAMBS, CWT.....	29.80	29.80	21.70	21.70	137	137
CHICKENS, LB.....	.26	.252	.313	.313	83	81
EGGS, DOZ.....	.497	.55	.53c/	.528c/	91a/	93a/
MILK, WHLSE, CWT.	4.45	4.60a/	4.79	4.79	95a/	93a/

a/ Preliminary b/ Revised
c/ Transitional parity, 90 percent (95 percent during 1950) of parity price computed under formula in use prior to January 1, 1950.
d/ Percentage of seasonally adjusted prices to parity prices.

PRICES RECEIVED BY FARMERS AVERAGE LOWER,
PARITY INDEX UNCHANGED

Prices received by farmers during the month ended in mid-September continued the downward trend that started in March. The Index of Prices Received by Farmers on September 15 was 291 percent of the 1910-14 average, down 1 point from mid-August but 19 points (7 percent) above a year ago. The all crop index declined 5 points during the past month, more than offsetting the 1 point rise in the livestock and livestock products index. Lower prices received for truck crops and cotton were major contributors to the lower all crop index. Increases in egg, milk, and cattle prices more than offset lower hog, chicken, and wool prices to raise the livestock and livestock products index.

For the fourth consecutive month, owing to offsetting price movements, the Parity Index (the Index of Prices Paid by Farmers, including Interest, Taxes, and Farm Wage Rates) stands at 282 percent of its 1910-14 average. Prices paid for feeder livestock and clothing made the largest advances during the month ended September 15. Retail prices of food, building materials, and several other groups declined. The mid-September Parity Index was 1 point under the all-time high recorded in April and May of this year.

NORTH CAROLINA AND UNITED STATES INDEX NUMBERS
(N. C. PRICES RECEIVED 1909-14 = 100 PERCENT)

COMMODITY	AUG. 15 1951	SEPT. 15 1951	SEPT. 15 1950	SEPT. 15 1949	SEPT. 15 1948
NORTH CAROLINA INDEX NUMBERS					
ALL FARM PRODUCTS..	277	314	334	280	289
COTTON & COTTONSEED	282	274	315	231	254
GRAINS.....	181	181	194	170	199
MEAT ANIMALS.....	445	434	399	348	414
POULTRY.....	278	288	250	285	290
DAIRY PRODUCTS.....	236	237	224	222	248
TOBACCO.....	476 1/	412 2/	436	382	365
MISCELLANEOUS.....	236	246	229	219	228
RATIO OF PRICES RECEIVED TO PAID 3/	102	111	129	116	116
UNITED STATES INDEX NUMBERS					
PRICES RECEIVED....	292	291	272	249	290
PRICES PAID	282	282	259	242	250
RATIO OF PRICES RECEIVED TO PAID..	104	103	105	103	116

1/ Type 13 2/ Types 11, 12, 13

3/ Ratio of N. C. prices received to U. S. prices paid

a. Preliminary

TOBACCO SUPPLIES UP FOR 1951-52

Supplies of the cigarette types of tobacco - flue-cured, Burley, and Maryland - for 1951-52 will exceed those for 1950-51 and are expected to be ample to meet the large requirements for domestic use and export.

This year's crop of flue-cured may be the largest on record and, with the carry-over on July 1, will provide an 8 percent larger total supply than in 1950-51. This year's Burley crop is indicated at almost 16 percent above last year's, and the probable total supply for 1951-52 is estimated at 2½ percent above that for 1950-51. The total supply of Maryland for 1951-52 will probably be 8 percent larger than that for 1950-51 and a record.

The manufacture and consumption of cigarettes in the United States during the year ending June 30 were at record highs. Total cigarette output was 407 billion and tax-paid consumption was 369 billion - 4 percent higher than in 1949-50. Tax-free shipments of cigarettes to overseas forces were up sharply.

The high employment and personal income in prospect for 1951-52 will favor high cigarette consumption. Cigarette consumption is likely to continue at a record or near-record level, even though some increase in prices will occur if the increased excise tax rate (equivalent to 1 cent per pack of 20) passed by the House of Representatives becomes law.

In each of the last 2 fiscal years, United States tobacco exports were equivalent to about 30 percent of the crop. Total exports of all types of unmanufactured tobacco in the year ending June 30, 1951, were 477 million

pounds (export weight) valued at 273 million dollars compared with 481 million pounds valued at 236 million dollars in 1949-50. The average declared value per pound for 1950-51 exports rose 17 percent. In large part, this reflected the record prices paid for last year's flue-cured crop.

Exports of tobacco from the United States probably will be larger in 1951-52 than in 1950-51. The United Kingdom, the leading foreign outlet, is expected to get more. Several countries have improved their dollar exchange position in the past year and may also increase their takings.

For some countries, however, prices of imports have risen more than the prices received for exports. If their terms of trade continue unfavorable, they may reduce their takings of United States tobacco.

Prices of flue-cured tobacco for the 1951 season through late August averaged approximately 10 percent lower than that in the comparable period of the 1950 season. The loan level for the 1951 crop is 50.7 cents per pound, nearly 13 percent higher than that for the 1950 crop, but the season average price last year was about 22 percent above the support level.

The larger volume of lower-priced grades of flue-cured this season than last will tend to favor larger exports. Average prices for the 1951 crop Burley, fire-cured, dark air-cured, and most cigar types are likely to be above those of last season. The support levels will be higher because the parity index (prices paid by farmers, interest, taxes, and wage rates) has advanced.

FOOD GRAIN SUPPLIES ADEQUATE

Supplies of food grains available in the 1951-52 marketing year and expected in 1952-53 are adequate to meet all anticipated requirements; and, in the case of wheat to increase reserves by July 1, 1953. This is the outlook based on late summer reports.

Total United States wheat supplies for the marketing year beginning July 1, 1951, are now estimated at 1,433 million bushels. This is made up of this year's crop of 998 million bushels (indicated as of August 1), and probable imports of feeding-quality wheat of about 40 million bushels, added to the carry-over from last year of 395 million bushels. Supplies now indicated have been exceeded in only 6 years.

Domestic disappearance in the 1951-52 marketing season may total about 748 million bushels, which would leave about 685 million for exports and carry-over. If exports total about the same as the 366 million bushels in 1950-51, about 320 million would remain for carry-over July 1, 1952. Such carry-over would about equal the 1941-50 average but would be below the carry-in on July 1, this year, by about 75 million bushels.

Next year, if average wheat yields are obtained, the goal acreage of 78.9 million acres would produce a crop of about 1,165 million bushels, 167 million above this year's estimated production. With a carry-over of old wheat on July 1, 1952, estimated at 320 million bushels, supplies of domestic wheat for the 1952-53 season would total 1,485 million bushels. Domestic disappearance in the 1952-53 marketing year is forecast at about 745 million bushels, which would leave about 740 million for exports and carry-over. Assuming exports at 325 million, compared with 366 million in 1950-51, the carry-over July 1, 1953, would be about 415 million bushels, an increase of about 100 million bushels over the carry-over estimated for July 1, 1952.

On the basis of reports from local P. M. A. committees being received at the present time actual seedings may exceed the 78.9 million-acre goal, and may total near 80 million acres.

FEED PRICES SLIGHTLY LOWER

Prices paid by North Carolina farmers for most high protein and grain by-products feeds were unchanged to 5 cents per hundred weight lower during the month ended September 15. Wheat bran was the only feed showing an increase in price over the preceding month. It advanced 5 cents per hundred pounds to \$3.80. Cottonseed meal declined 30 cents per hundred during the month and corn meal was down 10 cents to \$4.70 per hundred pounds.

Across the Nation, feed prices in general were slightly higher on September 15 than a month earlier. Except for cottonseed meal which declined 17 cents per hundred pounds, all high protein and grain by-products, feed prices registered slight advances.

FEED PRICES PAID BY FARMERS SEPTEMBER 15, 1951
WITH COMPARISONS

FEED PER HUNDREDWEIGHT	NORTH CAROLINA		UNITED STATES	
	AUG. 15 1951	SEPT. 15 1951	AUG. 15 1951	SEPT. 15 1951
- DOLLARS -				
MIXED DAIRY FEED				
UNDER 29% PROTEIN.	4.15	4.10	4.12	4.17
16% PROTEIN.....	3.95	3.90	4.05	4.07
18% PROTEIN.....	4.15	4.10	4.12	4.19
20% PROTEIN.....	4.35	4.35	4.17	4.25
29% - OVER.....	5.00	5.00	4.95	4.98
HIGH PROTEIN FEEDS				
LINSEED MEAL.....	-	-	4.30	4.42
SOYBEAN MEAL.....	4.50	4.45	4.74	4.77
COTTONSEED MEAL.....	4.20	3.90	4.57	4.40
MEAT SCRAP.....	6.10	6.10	6.26	6.29
GRAIN BY PRODUCTS				
BRAN.....	3.75	3.80	3.45	3.58
MIDDLINGS.....	4.00	3.95	3.74	3.76
CORN MEAL.....	4.80	4.70	4.14	4.20
CORN GLUTEN.....	-	-	3.54	3.56
POULTRY FEED				
LAYING MASH.....	5.10	5.10	4.92	4.94
SCRATCH GRAIN.....	4.65	4.60	4.44	4.45

FARM REPORT

Compiled by authority of the
UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics

S. R. Newell, Assistant Chief
and published by the

NORTH CAROLINA DEPARTMENT OF AGRICULTURE
Division of Statistics

L.Y. Ballentine, Commissioner of Agriculture

Released semi-monthly through the
Crop Reporting Service at Raleigh
Frank Parker, Statistician in Charge
Donald B. Jones, Statistical Editor

Primarily for distribution to
CROP REPORTERS AND AGRICULTURAL WORKERS

ORIGINAL INFORMATION DIRECT FROM
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Bureau of Agricultural Economics
Raleigh, N. C.

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OCTOBER 5, 1951

FARM REPORT

PAGE 4

LIVESTOCK SLAUGHTER INCREASES

August slaughter in North Carolina commercial plants exceeded July slaughter both in numbers and total live-weight for all species except sheep and lambs.

During the month, 9,500 cattle weighing a total of 7,345,000 pounds were slaughtered. This compares with 8,200 head weighing 6,867,000 pounds slaughtered in July.

Calf slaughter totaled 5,200 head-up 700 head from July, while an increase of 12 percent sent the August total of hogs slaughtered to 46,000 head weighing 9,714,000 pounds.

In August, 1950 8,300 cattle, 5,000 calves and 31,000 hogs were processed in commercial slaughter houses in the State.

NORTH CAROLINA & UNITED STATES LIVESTOCK SLAUGHTER AUGUST 1950-51*

SPECIES	NORTH CAROLINA				UNITED STATES			
	NUMBER SLAUGHTERED		TOTAL LIVEWEIGHT		NUMBER SLAUGHTERED		TOTAL LIVEWEIGHT	
	1950 a/	1951	1950 a/	1951	1950 a/	1951	1950 a/	1951
	THOUS. HEAD	THOUS. HEAD	THOUS. POUNDS	THOUS. POUNDS	THOUS. HEAD	THOUS. HEAD	THOUS. POUNDS	THOUS. POUNDS
CATTLE..	8.3	9.5	6,667	7,345	1,615.2	1,508.2	1,523,742	1,413,987
CALVES..	5.0	5.2	976	788	838.5	725.7	194,404	174,253
SHEEP & LAMBS..	.3	.1	27	8	1,193.6	1,001.4	110,443	94,165
HOGS....	31.0	46.0	7,118	9,714	4,442.0	5,224.1	1,119,507	1,322,993

a/ Revised

* Includes slaughter under Federal inspection and other wholesale and retail slaughters, excludes farm slaughter

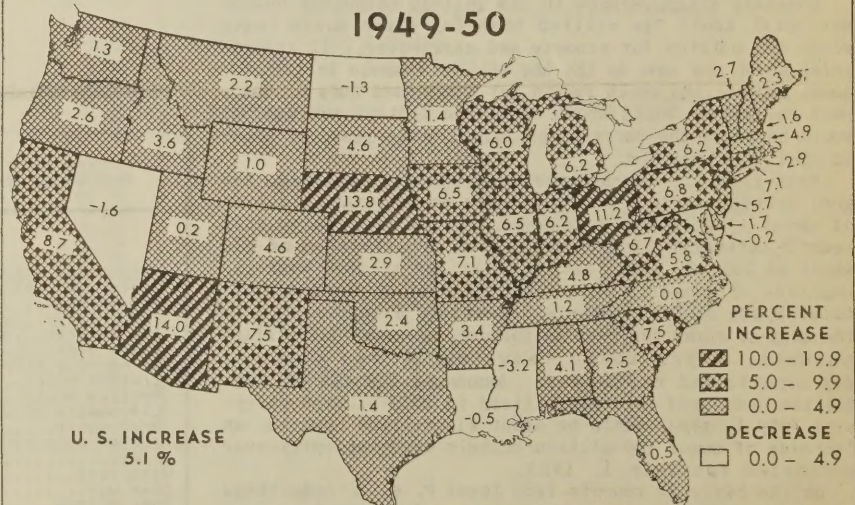
FARM REAL ESTATE TAXES (Cont'd)

\$0.61 and for 1948, \$0.57. The index of taxes per acre reached an all-time high of 311 (1909-13 = 100) in 1950. In 1949 it stood at 296 and in 1948 at 275.

When related to full value, the 1950 levies amounted to \$1.01 per \$100. This is well below the 1949 figure of \$1.10 and only slightly above the 1948 average of \$1.00.

The percentage increase for 1950 over the preceding year in taxes levied per acre of farm real estate was somewhat smaller than for other recent years. For 1950 it was 5.1 percent, for 1949, 7.4, and for 1948, 8.4 percent. In each of several years before 1948 it was 10 percent or more. As a consequence of these sharp increases, the average per acre for 1950 was nearly 75 percent above the level that persisted through the years of World War II and about 10 percent above a previous peak in 1928 and 1929.

PERCENTAGE CHANGE IN TAXES LEVIED ON FARM REAL ESTATE 1949-50



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